

Realty Stock Review

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MPP 587

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MARKET STRATEGY: TIME TO BE CAUTIOUS ON THE HOMEBUILDER AND MORTGAGE STOCKS

Americans, and most stock investors, are so used to looking on the optimistic side that it's jolting to hear bad news or bad forecasts. Every so often, we must say that we see storm clouds on the horizon. Now is one of those times.

As noted April 24, foreign currency and trade events have roiled the interest rate markets, bringing three prime rate boosts of 0.25% each since March 31 and meaning the Federal Reserve has to go along with higher interest rates, perhaps against its will and against a backdrop of a generally weak and uninspiring economy. Higher rates are needed in the U.S. to bring in foreign money to finance Washington's debt.

Citicorp's decision to write-off \$3 bil. against its foreign loans signals that this major international bank doesn't see any quick fix ahead.

So we think a change in investment strategy is in order and have rearranged our Portfolio Selector on page 2 accordingly, changing two groups:

Fixed-rate Mortgages: We dropped two fixed-rate mortgage lenders and have pared this group to two speciality lenders (BRT Realty and Cenvill Investors) plus four CMO mortgage REITs (see Jan.

9, 1987 RSR for discussion of CMO REITs). Essentially we think the residual interest in their mortgage pools goes up in value as interest rates rise, giving this group a win-win patina that should help CMO REITs in this market.

We continue positive on most participating mortgage stocks, as outlined April 24 and May 8, but have dropped one issue from this group.

Homebuilders and manufactured housing companies: We are putting a general caveat on the group. Long-term investors can hold but investors with shorter horizons should be out of the group. We think it will take very nimble or selective trading to do well in this group near-term, and so advise caution. **NVHomes**, in the midst of financing its Ryan Homes acquisition, is especially vulnerable till the deal closes.

The other side of the rate coin is fear that inflation will revive. We see this as especially good news for the equity REITs and investment builders able to generate high value added. A look at realty stocks making new highs the past couple of weeks is instructive: The short list includes **Landmark Technology** (see page 5); **REIT of California** (scheduled for review next issue); **VMS Strategic Land Trust**, and **Weingarten Realty**, reviewed May 8. Each has very special reasons to be strong.

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NOW AVAILABLE: Your editor's comments to a Wall Street Transcript panel Apr. 27 are available; send self-addressed stamped envelope (39¢) for your copy.

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PORTFOLIO SELECTOR: STOCKS SUITABLE FOR SHAPING HOLDINGS TO YOUR PORTFOLIO GOALS

We list below stocks we believe are currently usable in your portfolio, whatever your specific investment goals. Purchases (or sales) should be made at or near prices obtaining on the publication date, but we are not listing specific buy (or sell) points, so as to avoid conflict with money management clients.

The broad variety of securities included in RSR lets you target your holdings to your investment appetite, from very conservative to very aggressive; from high income to zero income; and from geographic regions and property types you desire. We've listed securities under a number of headings (a security may appear in more than one list) that could fit into any one of several possible investment strategies in today's investment climate. Changes:

We are deleting two fixed-mortgage stocks, **CRI Insured Mtg.** and **Lomas & Nettleton Mtg. Inv.** because stock prices are vulnerable with higher rates. **Travelers REIT**, a participating mortgage trust, is removed on lower dividends.

We are also advising only very selective commitments to homebuilders until the rate picture stabilizes.

REVIEWS OF NEW LISTINGS: THREE REITS IN HOSPITALS, RESTAURANTS AND LAND ADDED

Boddie-Noell Restaurant Properties Inc. came public May 20, 1987 by selling 2.6 mil. shs. at \$12 to raise \$31.2 mil. Shs. listed ASE under the BNP symbol. BNP will own 47 Hardee's restaurants under net leases.

EPS/Dividends: BNP forecasts earnings of 54¢ sh. for the rest of 1987 and 98¢ for 1988. BNP expects to have 70¢ cash available for distribution in 1987 and \$1.25/sh. in 1988. It expects to make \$1.20 sh. initial distributions, to yield 10.0% on offering price. Base rent under the net leases will permit the \$1.20 payout and the difference between income under GAP accounting and cash flow (about 18%) would be taxfree return of capital. The adviser will subordinate its management fee thru 1991 as needed to maintain \$1.20 payout.

Assets and Operations: BNP will net lease 47 existing Hardee's restaurants in Vir. (62% of units) and N.C. (38%). Restaurants have been operating an average 8.9 years and averaged \$1,034,000 sales each in 1986, about 1.8% above the average for 266 franchised Hardee's operated by Boddie-Noell, a private company. The restaurants are being bought at appraised value of \$920,750 average each, using net proceeds plus

PORTFOLIO SELECTOR LIST OF REALTY STOCKS FOR CURRENT INVESTMENT

OWNERS BY REGION	DIVERSIFIED PROPS.	Medical	Health Care Pr.(1/23/7)	Integrated Res.(5/23/6)
<u>Northeast</u>	Bay Fincl.(9/12/6)	Beverly Inv.(1/23/7)	Meditrust (1/23/7)	Johnstown Amer.(2/13/7)
*Federal Rl.(5/8/7)	First Union RE(3/13/7)	Health Care REIT(1/23/7)	One Liberty Pr.(3/28/6)	Johnstown/Consol.Rlty.
Gould LP (1/9/7)	HRE Props.(3/13/7)	Health Care Pr.(1/23/7)	TAX-SHELTERED INCOME	Natl. Enter.(10/10/6)
New Plan Rlty(12/5/6)	Mortgage Growth(3/13/7)	ENTREPRENEURIAL	EQK Green Ac. (8/22/6)	Reading Co.(6/13/6)
Penn. REIT (12/5/6)	Property Cap(11/7/6)	OWNERS	*EQK Rlty. (5/8/7)	Southland Finc.(10/10/6)
Presidential Rl.(10/24/6)	Rouse Co. (5/9/6)	*Federal Rlty(5/8/7)	Koger Co./Pr.(4/11/6)	Southmark Cp.(12/5/6)
Prudential Rl.(4/24/7)	Santa Fe So.Pac.	<u>Gould Inv.LP(1/9/7)</u>	LaQuinta LP(11/21/6)	U.S.Home (4/10/7)
Rockefeller Ctr(4/24/7)	B.F.Saul REIT (5/9/6)	Forest City Ent(7/11/6)	MSA Realty(3/14/6)	
*Washington REIT(5/8/7)		Koger Co.(5/9 & 12/19/6)	Rock. Ctr. Pr.(4/24/7)	BUILDERS/DEVELOPERS
<u>Midwest</u>	BY PROPERTY TYPE	Koger Props.(12/19/6)	Trammell Crow (12/19/6)	<u>Houses/Mfg.Hsg.</u>
Bradley RET(11/21/6)	<u>Shopping Centers</u>	New Plan Rl.(12/5/6)	Turner Equity (4/11/6)	SELECTIVE HOLDS ONLY
Chicago Dock(10/24/6)	*Federal Rlty(5/8/7)	Perini Inv. Prop.		Calprop(11/21/6)
Duke Rlty. (2/28/6)	First Union RE(3/13/7)	Rouse Co. (5/9/6)	NOTABLE NEWCOMERS	Centex Corp.(9/12/6)
*EQK Realty (5/8/7)	*Intl. Income Pr.(5/8/7)	MORTGAGES - INCOME	Copley Prop.(7/26/5)	Clayton Homes(10/10/6)
Forest City En.(7/11/6)	IRT Prop.(3/13/7)	<u>Fixed-rate</u>	Lincoln Rl.(12/20/5)	Hovnanian Ent(5/23/6)
MSA Realty (3/14/6)	New Plan Rl.(12/5/6)	BRT Realty(10/10/6)	Merry Land(2/27/7)	Leisure Tech.(8/8/6)
<u>South/Southwest</u>	Rouse Co.(5/9/6)	Cenvill Inves.(4/11/6)	Ridgewood Pr.(2/28/6)	MDC Holdings (4/10/7)
IRT Prop.Co.(3/13/7)	*Weingarten Rl.(5/8/7)	Countrywd Mtg(1/9/7)	Trammell Crow(12/19/6)	Oriole Hm.(3/27/7)
Koger Co.(5/9 & 12/19/6)	Western Inv.RE(3/28/6)	Lomas Mtg. Cp(9/13/5)	Weingarten Rl(12/19/6)	Ryland Group(3/27/7)
*Prop.Tr.Amer.(5/8/7)	<u>Offices</u>	MDC Asset Inv.(1/9/7)		Std. Pacific(8/8/6)
Sizeler Inv.(2/27/7)	HRE Props.(3/13/7)	Strategic Mtg.(3/28/6)	FINANCIAL SERVICE	
Trammell Crow(12/19/6)	ICM Prop.Inv.(4/24/7)	<u>Participating</u>	Ameribanc Inv. Group	<u>Income Props.</u>
*United Dom.Rl.(5/8/7)	Koger Co.(5/9 & 12/19/6)	L&N Hsg. Corp.(4/11/6)	Countrywide Cre.(1/9/7)	Bay Fincl.(9/12/6)
*Weingarten Rl.(5/8/7)	Koger Pr.(12/19/6)	Lincoln Rlty.(12/20/5)	Hallwood Cr.(2/13/7)	Koger Prop.(12/19/6)
	Property Cap(11/7/6)	Mellon Part.Mtg	Lomas & Net.Fin.(9/26/6)	<u>Commun.Bldrs./Land</u>
<u>Far West</u>	Prudential Rl(4/24/7)	Mtg.Invest.Plus(4/24/7)	Northeastern Mtg. (5/23/6)	Amrep Corp.(9/12/6)
BankAmer.Rlty(11/7/6)	Southland Finc.(10/10/6)	Realty South (4/24/7)	Southmark Corp.(12/5/6)	Cousins Prop.(12/5/6)
Copley Props.(7/26/5)	Turner Equity (4/11/6)	Rock. Ctr.Pr.(4/24/7)	Unicorp Amer. (5/9/6)	Genl. Devel. (8/8/6)
REIT of Calif.(3/28/6)	<u>Hotels/Spec.</u>	LEASEBACKS - INCOME	AGGRESSIVE RECOVERY	Inter. Gen.(2/27/7)
Santa Anita Rl.(4/25/6)	Burger King Inv.(2/28/6)	Beverly Inv.(1/23/7)	Americana Hot(3/28/6)	Major Realty(11/21/6)
Western Inv.Tr.(3/28/6)	Hotel Inv.(10/24/6)	Health Care REIT(1/23/7)	Fairfield Comm(7/25/6)	Newhall Land(4/10/7)

* Reviewed in May issues. Additions or changes underlined. # Recent client. Review/comment dates within last year.

\$11 mil. debt. Units will be net leased with BNP receiving a minimum 11.14% on purchase price thru 1991, plus percentage rent of 9.916% of gross sales over an 8.0% base.

Address: 1021 Noell Lane, Rocky Mount, NC 27802. Phone: (919) 937-2000.

Medical Properties, Inc. came into being Feb. 26, 1987 when shareholders of Nu-Med Inc. exchanged common and senior securities of Nu-Med for 2,269,000 Medical Properties shs. Medical Properties will operate as a REIT and own two acute care hospitals and a medical office building operated by Nu-Med under net leases. Shs. listed on the ASE under MPP symbol.

EPS/Dividends: MPP intends distributing approx. \$1.40 per sh. annually to holders; some portion may be taxfree return of capital. Earnings under GAP accounting aren't estimated.

Assets and Operations: MPP acquired from Nu-Med two acute care hospitals: Valley -Community Hospital, 44 licensed beds in Dallas, Ore.; Medical Center of LaMirada, Cal., 145 licensed beds (of which 36 are temporarily in alternative use or suspense); and a 19,100 sq. ft. medical office building adjoining LaMirada center. Properties were bought at appraised value of \$42 mil., allocated \$33.1 mil. to LaMirada Medical Center; \$1.9 mil. to LaMirada office; and \$7 mil. to Valley Community. LaMirada Center averaged 33.5% occupancy in its April 1986 year, vs. 53.6% for competing facilities; Valley Community averaged 44.5% occupancy in fiscal 1986. The office building is 95% occupied. The sale price is \$19.5 mil. over Nu-Med's \$22.5 mil. book value. Properties are net leased to Nu-Med subsidiaries for minimum rents of 12.5% of cost plus additional rent of 5%-8% of revenues over the April 1987 base.

Address: 16633 Ventura Blvd., 13th Fl., Encino, Cal. 91436. Phones: (818) 990-2000 or (213) 872-2000.

VMS Strategic Land Trust completed an offering of 12.0 mil. shs. at \$10 Dec. 31, 1986. Shs. have now listed on NASDAQ under VLANS symbol following investment of proceeds in short-term, junior pre-construction participating

mortgages on land to be developed by affiliates of VMS Realty Partners, a major property manager and syndicator.

EPS/Dividends: VLANS hasn't announced Mar. qtr. EPS yet but declared a 30¢ dividend payable May 15, equal to a 12% return on the offer price, which return is guaranteed thru Dec. 1988.

Assets and Operations: VLANS has invested 100% in mortgage loans on 11 strategically located properties with a combined principal totaling \$105.7 mil. Loans are short-term, junior, pre-construction, mortgage loans to VMS affiliates, which plan to acquire and develop strategically located properties not presently at their highest and best use. The portfolio of mortgage loans is secured by properties with intended uses:

Broadway/Times Square, mixed-use high-rise in New York's Times Square;

Taiyo Fudaso, 670 prime acres for proposed golf resort on Maui, Hawaii;

Westin Kauai, 164 acres in Hawaii adjacent to the Westin Kauai resort, a VMS property, for golf and expansion.

724 Ninth St., Washington, D.C., a 20,106-sq.ft. site for proposed Class A office building;

City Place, Chicago, demolition and redevelopment of prime site for mixed-use on Chicago's Magnificent Mile;

Dorchester, a 31,590-sq.ft. site in Los Angeles for luxury apartments;

505 Montgomery, San Francisco, proposed mixed-use, Class A office/retail.

Front Street, Key West, Florida, 2.4 acre site for a luxury resort hotel;

Dania, a 70-acre site, located in the Ft. Lauderdale area, in Dania, Florida, for construction of rental apartments and a commercial center;

Hampton Shoppes, a Northwest suburban Chicago retail development; and Hampton Apartments, a residential rental development adjacent to Hampton Shoppes.

Address: 8700 W. Bryn Mawr, Chicago, Ill. 60631. Phone: (312) 399-8700.

REVIEWS OF NEW LISTINGS: MLPS IN MOTELS, SHOPPING CENTERS AND HOMEBUILDING ADDED

Shopco Laurel Center, L.P. made an initial public offering of 4.66 mil. limited partnership units on April 9, 1987 at \$10. Shares listed on the ASE under LSC symbol. LSC purchased an

enclosed mall shopping center in Laurel, Md. and intends holding the mall for seven to 10 years and then liquidating.

EPS/Dividends: LSC intends to distribute substantially all net cash flow at a rate forecasted to be \$1.00 (i.e., 10% yield); amortization of a zero coupon loan will make some portion of distributions tax free capital return.

Assets and Operations: LSC acquired an interest in an enclosed mall shopping center, Laurel Centre. LSC owns 244,100 sq. ft. of enclosed mall space and a 136,864 sq. ft. J.C. Penney store but will not own the buildings for two other anchors, Hecht's and Montgomery Ward, in the 660,500 sq. ft. center in Laurel, Md. near Washington, D.C. The center was acquired for \$59.15 mil. in Dec. 1986 by the owner partners of LSC, including \$22 mil. mortgage debt. That debt is being replaced with a 9-1/2 year, zero coupon mortgage with initial amount of \$22.5 mil., accreting at 10.2% effective interest to \$57.9 mil. (79.9% of today's appraised value) at maturity.

Address: Shearson Lehman Bros. Inc., American Express Twr., 12th Fl., World Fincl. Ctr., New York, NY 10285. Phone: (212) 298-2404.

Red Lion Inns Ltd. Partnership raised \$98.8 mil. April 7, 1987 by selling 4.94 mil. limited partnership units at \$20. Units listed on the ASE under RED symbol. RED will buy thru a subsidiary partnership 10 Red Lion Inns (11 if underwriters exercise their over-allotment) in the Western U.S.

EPS/Dividends: RED expects to distribute \$2.00 per unit its first year, rising by 5¢ yr. to \$2.20 in year five, and the managers will subordinate the incentive portion of the management fee to make these priority distributions.

Assets and Operations: RED will own 10 inns with 3,077 rooms at a price of \$204.7 mil. or \$66,500 per room. Units acquired are in Wash. (3); Ore.(3); and one each in Cal., Id., Neb. and Col. A \$105.9 mil. mortgage will provide remaining funds to close. The seller, RL Acquisition Co., will continue to operate the hotels. Red Lion is a full service chain with 52 hotels and 11,000 rooms; it operates in the midpriced hotel sector seeking convention and

meetings business, individual business travelers, and vacation travelers. A corporation wholly owned by the Oregon Public Employees Retirement System and Kohlberg Kravis Roberts & Co. has owned a majority of Red Lion since April 1985 and continues as operator.

Address: 4001 Main St., Vancouver, Wash. 98663. Phone: (206) 696-0001.

Emerald Homes L.P. went public Feb. 6, 1987 by selling 2.75 mil. L.P. units at \$10 per sh. Units listed on the NYSE with EHP symbol. EHP conducts most homebuilding operations formerly owned by McKesson Corp. and operates in Ariz. and N. Calif.

EPS/Dividends: EHP earned 96¢ per unit in the shortened 9 mon. of 1986, up 28%. EPS of 16¢ in the Mar. qtr. rose 220%, but expects break-even operations in the June qtr. before a strong second half, based on strong new orders. Operations are being hurt by start-up expenses and short-term exposure on mortgages to buyers while held for resale.

EHP paid 30¢ unit on May 15, and expects to pay 99% of available cash flow to holders. Distributions are expected to be \$1.20 for 1987 and general partners will support this thru 1988 via cash purchase of new units. At \$9, EHP yields 13.3%.

Assets and Operations: EHP builds, sells and finances single-family homes on land it develops in Phoenix and the San Francisco Bay Area. Tucson, Ariz. operations were phased out beginning in Apr. EHP plans expanding into southern California in Los Angeles, San Diego and Orange County markets, with first deliveries early in 1988. EHP sells mainly single-family detached homes to the entry-level and move-up markets. It delivered 661 units in its shortened 1986, up 36%, and 101 units in the March qtr., down 38%. About 45% of sales are in Phoenix, 25% in San Francisco, and the rest in discontinued Tuscon. Tucson was discontinued because of low margins and management desire to operate in very large and growing metropolitan areas.

EHP management bought the company from McKesson Corp. in Sept. 1982 and converted to LP format in 1986.

Address: 5333 N. 7th St., Phoenix, Ariz. 85014. Phone: (602) 995-9100.

REVIEWS OF NEW LISTINGS: HOMEBUILDER, AND HISTORIC REHAB SPECIALIST ADDED

Continental Homes Holding Corp. came public Feb. 19, 1987 by offering 1.2 mil. shs. at \$11.50. Simultaneously CONH sold \$30 mil. of 12.75% senior notes due 1995 at 99.75% of par. Shares trade on NASDAQ under CONH symbol. CONH is a Phoenix based homebuilder formerly part of American Continental Corp. We have ranked shares at C initially.

EPS/Dividends: CONH earned 92¢ pro forma in its May 1986 fiscal year. EPS rose 67 to \$1.49/sh. in the nine mon. to Feb. 1987. Sales rose 10% in that period. No dividends have been paid or are expected for the foreseeable future.

Assets and Operations: CONH delivered 1,210 homes in fiscal 1986 at an average price of \$88,750 per unit. Deliveries of 740 in the six months to Nov. 1986 rose 1.5%. CONH builds for both the entry-level and move-up market and it and predecessors have been Phoenix' largest builder in each of the last five years. It entered the Denver market by buying an active subdivision with 21 homes under construction and 45 lots in Nov. 1986. CONH limits land holdings to land it can begin developing immediately, and controls some lots via options. Unconsolidated Continental Homes Mtg. Corp. provides financing for CONH buyers; it warehouses loans for sale to others and does not presently retain servicing. CONH acquired the homebuilding operations of American Continental in June 1985; insiders own 68% of shares after the offering.

Address: 11000 N. Scottsdale Rd., Suite 234, Scottsdale, AZ 85254. Phone (602) 483-0006.

Landmark Technology Corp. came public Dec. 18, 1986 by selling 1.5 mil. shs. at \$2. Shs. listed ASE under LCO symbol in March. Shares are ranked C initially. Landmark specializes in historic property rehabilitation.

EPS/Dividends - C: LCO earned 37¢ sh. in 1986, up 85%. Revenues rose 75%. March qtr. EPS of 12¢ compared to a small loss. No dividends are paid.

Assets and Operations: LCO acquires old properties with historic interest, seeks listing as either Certified Historic

Structures or on the National Register of Historic Places, and then develops a renovation plan which modernizes the structure for its intended new use. The structure is then sold on a turn-key basis to limited partnerships which can take advantage of historic rehabilitation tax credits which were preserved in the 1986 Tax Reform Act; LCO subsidiaries then rehab the property as contractors and lease and manage it. The format does not burden LCO with depreciation and generates contracting and packaging profits. So far LCO has begun eight major rehab projects consisting of 18 buildings with 800,000 sq. ft. All are in Atlanta.

Financial Measures - C: Debt of \$17.7 mil. at Mar. 1987 is 1.6 times \$11.3 mil. equity, or 92¢ sh. Management owns 85% of shares.

Address: 100 Marietta Station Walk, Marietta, GA. 30060. (404) 428-0055.

Corrections: ICM Property Inv. dividend is taxable, not partly sheltered as stated May 8; American Health Props. address is: 414 N. Camden Dr., Beverly Hills, Cal. 90210. (213) 205-0802.

APPRAISED ASSET VALUE COMPARISONS

	DATE	APPRAISED VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITS			
BANKAMER REALTY	7/86	\$34.50a	-13.0%
COPLEY PROPS	12/86	\$21.10	-8.8%
EQK RLTY INV I	12/86	\$18.46	-21.5%
INTL INCOME PR#	12/86	\$15.62	-7.2%
JMB REALTY	8/86	\$18.66	-8.9%
NATL CAPITAL RE	12/85	\$ 5.14	-56.2%
NEW PLAN RLY TR#	7/86	\$14.01	16.9%
PRU RL CAPITAL #	12/86	\$ 2.39	-42.5%
SANTA ANITA	12/85	\$25.96	18.5%
SIERRA RE EQ83#	12/86	\$10.52	-7.3%
SIERRA RE EQ84#	12/86	\$ 8.44	-11.1%
USP RL EST INV#	12/85	\$13.44	-29.3%
WELLS FARGO M&E	6/86	\$30.22a	-37.1%
AVERAGE			-16.0%
OPERATING COMPANIES			
BAY FINCL CORP	5/86	\$45.20	-50.8%
KOGER CO#	12/86	\$21.07	50.7%
NEWHALL INV PROP	12/86	\$12.98	-29.7%
NEWHALL LAND	12/86	\$32.25	-2.3%
PERINI INV PR#	3/87	\$21.54	-28.0%
ROUSE CO#	12/86	\$36.06	-3.6%
SAUL (BF) REIT#	9/86	\$27.12	-41.0%
SOUTHWEST RLTY#	12/86	\$14.20	-78.9%
UNICORP AMER	12/86	\$17.66	-31.3%
AVERAGE			-23.9%

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: Koger Co. values set by independent appraisers; New Plan Realty, management estimate only. Share values are fully diluted.

a-Entity has not revalued mortgages.

RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	MON 12 MO	LAST PRICE	% CHANGE MAY 05	FROM- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK	MKT VAL MIL \$	
* A	AMER HEALTH PROPS (02/27/87)	NY-AHE	1	11086	18.51	2.00	MAR	1.64	15.25	-9.6	-23.8	9.3	13.1	-17.6	8.9	169.1
D	AMERICANA HOTEL (03/28/86)	NY-AHR	2	5787	15.51	0.00	DEC	-0.42	12.13	3.2	15.5	0.0	0.0	-21.8	-2.7	79.2
A	BANKAMER REALTY (01/27/84)	NY-BRK	2	7869	17.69	2.00	MAR	2.09	30.00	-6.3	0.40	14.4	8.0	69.6	11.8	236.1
* B	BEVERLY INV PROP# (12/20/85)	NY-BEP	1	8195	19.27	2.24	U DEC	2.22	32.88X	3.1	-11.4	10.2	10.0	16.1	11.4	183.4
* B	BODDIE-NOELL PROP (05/22/87)	AS-BNP	1	2850	10.93	1.20	---	0.00	11.75	-2.1	-2.1	0.0	10.2	7.5	0.0	33.5
A	BRADLEY RL EST (06/28/85)	OC-BRLYS	1	3360	2.01	0.68	U FEB	0.49	D 14.75X	1.2	32.1	30.1	4.6	633.8	24.4	49.6
B	BRT REALTY (10/10/86)	AS-BRT	3	4855	13.67	2.00	MAR	2.08	U 18.50	1.4	22.3	8.9	10.8	35.3	15.2	89.8
B	P-CALIF JOCKEY CLUB (11/21/86)	AS-CJ	1	5637	4.39	0.90	MAR	0.90	U 18.88	1.3	-6.8	21.0	4.8	330.0	20.5	106.4
B	CALIFORNIA REI (04/25/86)	NY-CT	1	5015	8.31	0.60	S MAR	-0.13	D 6.38	8.5	-44.0	0.0	9.4	-23.3	-1.6	32.0
* F	CEDAR INCOME PD I (01/09/87)	OC-CEDR	1	1440	8.66	0.64	MAR	0.57	U 8.25	0.0	3.1	14.5	7.8	-4.7	6.6	11.9
C	CENTRAL REALTY (04/11/86)	OC-CMRA	2	1974	0.58	0.00	DEC	-0.17	U 0.38	0.0	-20.0	0.0	0.0	-35.3	-29.3	0.7
C	CENVILL INVSTR (04/11/86)	NY-CVI	2	7007	13.06	2.20	U MAR	2.17	U 21.38	-1.7	13.2	9.9	10.3	63.7	16.6	149.8
B	CHICAGO DOCK&CANL (10/24/86)	OC-DOCKS	1	5784	6.73	0.36	JAN	1.76	32.00	-2.7	47.1	18.2	1.1	375.5	26.2	185.1
C	CLEVELTREST RLY# (02/13/87)	OC-CTRS	2	2012	17.99	1.00	D DEC	0.88	10.50	0.0	-16.0	11.9	9.5	-41.6	4.9	21.1
C	COMMONWELL RLY# (04/25/86)	OC-CRTY	1	1468	10.06	0.50	U AUG	1.76	13.00	-10.3	-3.7	7.4	3.8	29.2	17.5	19.1
* F	CONSOL CAP INCOME (04/11/86)	OC-CCITS	2	12663	18.84	2.40	DEC	-0.09	14.50	3.6	17.2	0.0	16.6	-23.0	-0.5	183.6
B	CONSOL CAP RLY# (02/13/87)	OC-CCPLS	2	5966	7.91	0.25	U FEB	0.83	U 4.00X	18.6	14.3	4.8	6.3	-49.4	10.5	23.9
* F	CONSOL CAP SPECI (04/11/86)	OC-CCSTS	2	11538	16.64	2.16	DEC	-0.58	8.75	-5.4	6.1	0.0	24.7	-47.4	-3.5	101.0
* C	COPLEY PROPS (07/26/85)	AS-COP	2	4008	18.42\$	1.68	MAR	1.25	D 19.25	-8.3	-2.5	15.4	8.7	4.5	6.8	77.2
* C	COUNTRYWIDE MTG (01/09/87)	NY-CWM	3	7685	11.55	1.60	D MAR	2.15	D 11.88	-6.9	-34.0	5.5	13.5	2.8	18.6	91.3
A	COUSINS PROPS (12/05/86)	OC-COUS	1	11444	9.63	0.60	U MAR	2.72	U 19.75	-10.2	1.3	7.3	3.0	105.1	28.2	226.0
* F	CPL REIT (01/24/86)	OC-CMTRS	1	1737	8.88	1.04	DEC	0.91	7.00	7.7	-22.2	7.7	14.9	-21.2	10.2	12.2
* F	CR-I INS MTG II (07/25/86)	NY-CII	3	8536	19.09	2.91	SEP	1.67	18.00	-4.6	-12.2	10.8	16.2	-5.7	8.7	153.6
B	DEL-VAL FINCL (04/11/86)	AS-DVL	3	3105	9.56	1.74	DEC	1.80	D 20.13X	0.7	4.5	11.2	8.6	110.5	18.8	62.5
* A	DIAL REIT INC # (01/09/87)	OC-DEAL	1	1738	18.24	1.60	MAR	1.84	19.50	0.0	1.3	10.6	8.2	6.9	10.1	33.9
* F	DUKE RLY-CAPITAL (02/28/86)	NY-DRE	1	7520	0.86	0.00	DEC	0.00	1.25	11.1	11.1	0.0	0.0	45.3	0.0	9.4
* F	DUKE RLY-INCOME# (02/28/86)	NY-DREPR	1	7520	8.00	0.81	D SEP	0.83	7.50	-3.2	-11.8	9.0	10.8	-6.3	10.4	56.4
A	EASTGROUP PROPS (03/13/87)	AS-EGP	1	2655	19.85	2.60	FEB	3.09	28.38	-3.0	2.3	9.2	9.2	42.9	15.6	75.3
B	EASTOVER CORP (04/11/86)	OC-EASTS	2	1258	14.35	1.60	MAR	1.55	D 16.00	-11.1	-12.9	10.3	10.0	11.5	10.8	20.1
* F	EQK RLY INV I (05/08/87)	NY-EKR	1	7589	15.65\$	1.66	MAR	0.38	14.50	1.8	-3.3	38.2	11.4	-7.3	2.4	110.0
A	FEDERAL REALTY# (05/08/87)	NY-FRT	1	12226	9.53	1.08	MAR	1.79	U 22.63	-5.2	13.8	12.6	4.8	137.4	18.8	276.6
C	FIRST CONTNL REIT (08/23/85)	OC-FCRS	3	4103	6.67	0.00	NOV	-2.58	3.38	0.0	14.9	0.0	0.0	-49.8	-37.7	13.8
A	FIRST UNION REIT (03/13/87)	NY-FUR	1	1812	8.87	1.50	SEP	1.59	26.50	0.0	7.0	16.8	5.6	201.6	17.9	48.1
* C	GOLDEN CORP # (04/11/86)	OC-GCR	1	1480	9.29	1.20	DEC	1.25	9.60	-2.6	-17.4	7.6	13.2	2.3	13.5	14.1
* F	GRUBBELL REIT (06/13/86)	OC-GRIT	4	2500	9.17	0.88	S MAR	0.95	U 7.88	-3.1	-11.3	8.3	11.2	-14.1	10.4	19.7
* C	GUILD MTG INVSTMT (07/25/86)	AS-GUM	3	3100	9.30	1.40	SEP	1.20	8.75	-2.8	-24.7	7.3	16.0	-5.9	12.9	27.1
* A	HARRIS-TETER PRP# (08/22/86)	AS-HTP	2	2505	8.97	0.96	SEP	0.90	9.38	-3.8	-12.8	10.4	10.2	4.5	10.0	23.5
* A	HEALTH CARE PR# (04/11/86)	NY-HCP	1	8146	21.44	2.44	MAR	2.54	U 25.63	-6.4	-12.0	10.1	9.5	19.5	11.8	208.7
A	HEALTH CARE REIT (08/09/85)	AS-HCN	3	5495	11.56	1.68	U MAR	1.57	D 17.13	-1.4	3.8	10.9	9.8	48.1	13.6	94.1
* A	HEALTHVEST # (06/27/86)	AS-HVT	1	11558	19.46	2.24	DEC	2.20	20.00	-4.8	-4.8	9.1	11.2	2.8	11.3	231.2
* C	HLTH & REHAB PROP (12/19/86)	NY-HRP	2	3418	16.40	2.20	MAR	1.76	I 17.63	-4.1	-9.0	10.0	12.5	-4.2	9.6	60.2
C	HMG PROP INV (04/11/86)	AS-HMG	1	1212	16.80	0.60	DEC	-1.05	8.38	1.5	-8.2	0.0	7.2	-50.1	-6.3	10.2
B	P-HOLLYWOOD PK RLY (11/16/84)	OC-HFRFZ	1	3824	7.73	1.60	DEC	0.92	D 27.25	2.8	1.9	29.6	5.9	252.5	11.9	104.2
B	P-HOTEL INVESTORS# (04/11/86)	NY-HOT	1	11563	18.03	2.00	JUL	1.78	21.50	-7.5	-3.4	12.1	9.3	19.2	9.9	248.6
A	HRE PROPERTIES (03/13/87)	NY-HRE	1	5941	23.40	1.80	JAN	1.83	23.50	-1.1	-12.1	12.8	7.7	0.4	7.8	139.6
B	ICM PROP INVSTR (04/24/87)	NY-ICM	2	5761	18.02	1.60	U MAR	0.56	D 15.00	1.7	2.6	26.8	10.7	-16.8	3.1	86.4
A	INTL INCOME PR# (05/08/87)	AS-IIP	1	11334	8.89\$	1.04	U DEC	0.63	14.50X	-1.6	7.4	23.0	7.2	63.1	7.1	164.3
* A	INVGTG MGT SECS # (04/11/86)	OC-INVG	3	682	31.56	2.00	SEP	2.69	6.25	13.6	-45.7	2.1	32.0	-80.2	9.5	4.3
A	IAT PROPERTY CO# (03/13/87)	NY-IPT	1	8024	9.82	1.28	S MAR	1.29	U 16.88X	-7.1	3.1	13.1	7.6	71.8	13.1	135.4
B	JMB REALTY (02/13/87)	OC-JMRS	2	1423	16.85\$	1.68	FEB	1.62	D 17.00	-2.9	1.5	10.5	9.6	0.9	9.6	24.2
B	F-JOHNSTN/CONS RLY (03/22/85)	NY-JCT	2	12280	16.16	1.70	DEC	0.51	13.38	4.9	9.2	26.2	12.7	-17.2	3.2	164.2
B	LAN HOUSING (04/11/86)	NY-LHC	4	2200	23.57	1.64	D MAR	1.99	D 19.75	-1.9	-25.5	9.9	8.3	-16.2	8.4	43.5
* F	LANDSING INST V (12/06/85)	OC-LANVS	2	5680	8.46	0.60	SEP	0.29	2.50	-9.1	-28.6	8.6	24.0	-70.4	3.4	14.2
* A	LINCOLN CN RL FND (12/20/85)	AS-LRF	2	1998	13.37	1.48	MAR	1.24	U 13.00	-1.0	-5.5	10.5	11.4	-2.8	9.3	26.0
* F	LINPRO SPCFD PROP (08/22/86)	AS-LPO	1	1856	9.04	0.90	D DEC	1.03	7.63X	-7.6	-24.7	7.4	11.8	-15.7	11.4	14.2
A	LOMAS & NET MTG (09/26/86)	NY-LMC	3	11625	23.48	2.53	MAR	2.43	22.63	-3.2	-25.2	9.3	11.2	-3.6	10.3	263.0
* A	LOMAS MGT CORP (09/13/87)	NY-LMO	3	8740	18.62	2.44	MAR	2.55	21.63	-7.0	-18.0	9.6	11.3	16.1	11.2	188.1
* F	MDC ASSET INVSTRS (01/09/87)	NY-MDR	1	5000	13.75	1.00	DEC	0.60	16.50	10.9	16.8	0.0	10.9	20.0	0.0	83.5
* F	MEDICAL PROPS INC (05/22/87)	AS-MPP	1	2369	12.00	1.38	---	0.00	9.50	-5.0	-20.8	0.0	14.5	-20.8	0.0	22.5
* A	MEDITRUST # (10/25/85)	OC-MTRUS	1	10721	15.39	1.72	DEC	1.61	17.50	-5.4	-4.5	10.9	9.8	13.7	10.5	187.6
* A	MELLON PART MTG (02/22/85)	OC-MPMTS	4	8645	9.33	1.00	DEC	1.03	9.38	-8.5	-15.7	9.1	10.7	0.5	11.0	81.0
B	MERRY LAND & INV (02/27/87)	OC-MERY	2	6264	5.17	0.80	MAR	1.03	10.50	-2.3	11.7	10.2	7.6	103.1	19.9	65.8
B	MONY RL EST INV (11/07/86)	NY-MYM	2	10393	9.43	0.72	FEB	0.70	8.13	-1.5	-23.5	11.6	8.9	-13.8	7.4	84.4
A	MORTGAGE GROWTH (03/13/87)	AS-MTG	2	7704	15.98	1.60	FEB	1.63	19.50	-2.5	-11.4	12.0	8.2	22.0	10.2	150.2
* A	MSA REALTY CORP (03/14/86)	AS-MSS	1	5958	8.66	1.00	DEC	0.71	10.75	-1.1	2.4	15.1	9.3	24.1	8.2	64.0
A	MTG & RLY TRUST (02/13/87)	NY-MRT	3	10311	16.94	1.88	MAR	1.78	19.00	-1.9	-15.6	10.7	9.9	12.2	10.5	195.9
C	MTG INVSTMTS PLUS (04/24/87)	AS-MIP	4	9020	8.97	0.80	MAR	0.67	7.63	-3.2	-1.6	11.4	10.5	-15.0	7.5	68.8
C	NATL CAPITAL RE (04/26/85)	OC-NCETS	1	3645	2.58\$	0.00	SEP	-0.90	2.25	-14.3	0.0	0.0	0.0	-12.8	-34.9	8.2
A	NEW PLAN RLY TR# (12/05/86)	NY-NPR	1	21072	5.25\$	0.84	U JAN	0.81	16.38	0.8	17.0	20.2	5.1	211.9	15.4	345.1
* F	NOONEY RLY TR# (04/11/86)	OC-NRTI	1	867	17.18	0.80	S DEC	1.06	15.00	0.0	-1.6	14.2	5.3	-12.7	6.2	13.0
B	ONE LIBERTY PR# (03/28/86)	AS-OLP	1	2203	14.27	1.32	DEC	1.59	14.25	-2.6	-12.3	9.0	9.3	-0.1	11.1	31.4
* A	PAINEWEBB RES RLY (02/28/86)	AS-PWI	3	6058	9.19	1.08	DEC	1.06	7.88	5.0	-14.9	7.4	12.7	-14.3	11.5	47.7
A	PENN REIT# (12/05/86)	AS-PEI	1	5428	15.26	2.28	D FEB	2.47	D 37.50	-1.0	19.5	15.2	6.1	145.7	16.2	203.6
B	PITTS & WVA RR (08/09/85)	AS-PW	1	1510	6.07	0.54	D MAR	0.56	S 6.13	0.0	-2.0	10.9	8.8	0.9	9.2	9.2
B	PRESIDENTL RL-A# (08/09/85)	AS-PDL.A	2	479	2.89	1.32	U DEC	1.67	U 14.00	1.8	5.7	8.4	9.4	384.4	57.8	6.7
B	PRESIDENTL RL-B# (08/09/85)	AS-PDL.B	2	2786	2.89	1.32	U DEC	1.67	U 13.63	4.8	12.4	8.2	9.7	371.5	57.8	

COMPANIES AND BUSINESS TRUSTS

May 22, 1987

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE MAY 05	FROM- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKX	MKT VAL MIL \$	
C	ABRAMS INDS INC	OC-ABRI 9	1787	8.55	0.24	JAN 0.59	7.00	-5.1	-6.7	11.9	3.4	-18.1	6.9	12.5	
C	AMER COMMUNITY DEV	OC-ACDG 6	3020	3.29	0.00	OCT -2.28	0.63	-16.7	-47.4	0.0	0.0	-81.0	-69.3	1.9	
* LP-AMER INS MTG 84	(01/24/86)	OC-AMAZ 8	10000	19.51	1.44	SEP 2.03	19.50	0.0	-2.5	9.6	7.4	-0.1	10.4	195.0	
C	AMER PACESETTER	PS-ABCP 9	1465	11.68	0.50	DEC 2.29	17.50	-6.7	28.4	7.6	2.9	49.8	19.6	25.6	
C	AMERTRANC INV GP	OC-AINVS 9	6123	7.88	0.20	MAR 1.41 U	11.00	12.8	33.3	7.8	1.8	39.6	17.9	67.4	
C	AMERICAN REALTY	(12/05/86)	AS-ARR 7	9697	7.26	2.50	DEC 0.53 U	4.50	-7.7	12.5	8.5	55.6	-38.0	43.6	
C	AMREP CORP	(09/12/86)	NY-AXR 6	6593	8.64	0.00	JAN 1.07	12.63	-4.7	-1.0	11.8	0.0	46.1	12.4	83.2
C	ANGELES CORP	AS-ANG 10	3481	4.96	0.00	DEC -0.45	8.75	0.0	7.7	0.0	0.0	76.4	-9.1	30.5	
* LP-ANGELES FINC PTRS	(01/24/86)	AS-ANF 8	1051	18.20	1.90	U DEC 1.86 U	17.88	5.9	5.1	9.6	10.6	-1.8	10.2	18.8	
* LP-ANGELL CARE MLP	(01/23/87)	NY-ACR 7	3500	14.93	1.52	DEC -0.38	14.63	-0.8	3.5	0.0	10.4	-2.0	-2.5	51.2	
B	RAY FINCL CORP	(09/12/86)	NY-RAY 7	3351	16.92\$	0.20	FEB -0.81	22.25	-2.7	-9.2	0.0	0.9	31.5	-4.8	74.6
C	BEI HOLDINGS	OC-BEIH 9	10328	3.81	0.00	JAN 0.25	8.38	-5.6	-13.0	33.5	0.0	119.8	6.6	86.5	
D	BRITISH LAND AMER	(12/06/85)	NY-BLA 7	17971	2.13	0.00	DEC -1.54	3.25	-3.7	0.0	0.0	0.0	52.6	-72.3	58.4
* LP-BURGER KING INV	(02/28/86)	NY-BKP 7	4635	18.58	1.88	MAR 1.38	19.00	-1.3	-7.3	13.8	9.9	2.3	7.4	88.1	
* LP-CAL FED INC PTRNS	(12/19/86)	NY-CPI 7	11000	9.28	1.00	MAR 0.24	9.25	1.4	-12.9	38.5	10.8	-0.3	2.6	101.8	
C	CALPROP CORP	(11/21/86)	AS-CPF 6	3439	8.33	0.00	MAR 0.75 D	8.00	-14.7	0.0	10.7	0.0	-4.0	9.0	27.5
C	CALTON INC	(06/27/86)	NY-CN 6	18295	2.55	0.00	FEB 0.82	8.50	-12.8	51.1	10.4	0.0	233.3	32.2	155.5
* CASTLE & COOKE		NY-CKE 9	47118	9.72	0.00	DEC 0.56	22.25	-1.1	15.6	39.7	0.0	128.9	5.8	1048.4	
A	CENTEX CORP	(09/12/86)	NY-CTX 5	17863	20.21	0.25	MAR 2.47 D	26.88	-11.9	-14.0	10.9	0.9	33.0	12.2	480.1
C	CHAMPION HOME	(10/10/86)	AS-CHB 11	36179	1.43	0.00	FEB -0.04 U	1.50	-7.7	-11.1	0.0	0.0	4.9	-2.8	54.3
D	CHRISTIANA COS	(12/06/85)	NY-CST 6	2851	7.54	0.00	DEC -0.49	6.38	-5.6	24.4	0.0	0.0	-15.5	-6.5	18.2
C	CITIZENWOOD GROWTH	OC-CITGS 9	513	16.14	0.00	JAN 1.08 U	11.50	-4.2	-19.3	10.6	0.0	-28.7	6.7	5.9	
C	CLAYTON HOMES	(10/10/86)	NY-CLE 11	12828	4.10	0.00	MAR 0.69	9.75	-3.7	0.5	14.1	0.0	137.8	16.8	125.1
* LP-CMNWLTH MTG AM-A	(11/21/86)	NY-CMA 8	35000	2.13	1.04	MAR 0.33 U	8.88	2.9	-9.0	26.9	11.7	316.7	15.5	310.6	
C	COMMONWLT MTG CO	(10/24/86)	OC-CMCG 8	6220	3.46	0.00	JAN 1.10	8.38	-11.8	-1.5	7.6	0.0	142.1	31.8	52.1
B	CONGRESS ST PROPS	OC-CSTP 9	1262	12.78	0.00	FEB 1.24	9.25	-11.9	-7.5	7.5	0.0	-27.6	9.7	11.7	
C	CONTL HMS HOLDING	(05/22/87)	OC-COH 6	3700	3.79	0.00	FEB 1.41	8.75	-27.1	-23.9	6.2	0.0	130.9	37.2	32.4
B	COUNTRYWIDE CRDIT	(01/09/87)	NY-CCR 8	15371	5.25	0.31	FEB 1.26	11.38	-9.0	-6.2	9.0	2.7	116.7	24.0	174.8
E	COVINGTON TECH	OC-COVT 6	13892	0.51	0.00	MAR 0.08 D	1.00	-11.1	45.3	12.5	0.0	96.1	15.7	13.9	
B LP-CRI INS MTG INV	(07/25/86)	NY-CRI 8	9100	18.22	1.98 S	SEP 2.26	20.63	0.0	-11.3	9.1	9.6	13.2	12.4	187.7	
D	DELITONA CORP	NY-DLT 6	5574	4.50	0.00	MAR -0.02 U	5.63	-6.3	9.8	0.0	0.0	25.0	-0.4	31.4	
* LP-EMERALD HOMES LP	(05/22/87)	NY-EMP 6	5225	5.11	1.20	MAR 1.31 U	9.00	-4.0	-10.0	6.9	13.3	76.1	25.6	47.0	
* LP-EQK GRN ACRES LP#	(08/22/86)	NY-EGA 7	10173	9.30	1.05	SEP 0.88	10.25	-1.2	-2.4	11.6	10.2	10.2	9.5	104.3	
* LP-EQUITABLE RE SC	(01/23/87)	NY-EGM 7	10700	9.25	1.00	---	0.00	9.25	-3.9	-8.6	0.0	10.8	0.0	99.0	
A	EQUITEC FNCL GP	(07/12/85)	NY-EQG 10	4916	5.33	0.16	JAN 0.93	8.00	8.5	20.8	8.6	2.0	50.1	17.4	39.3
B	FAIRFIELD COMM	(07/25/86)	NY-FCI 6	10640	10.59	0.00	DEC -1.62	5.38	-8.5	-33.8	0.0	0.0	-49.2	-15.3	57.2
C	FARRAGUT MTG CO	(12/19/86)	OC-FARR 8	5150	2.05	1.00 S	DEC 0.69	7.38	-13.2	13.5	10.7	13.6	259.8	33.7	38.0
C	FED NATL MTG	(06/14/85)	NY-FNM 8	73762	15.98	0.32	MAR 2.72	35.25	-9.6	-13.5	13.0	0.9	120.6	17.0	2600.1
B	FIRST CAROLINA	OC-FCARS 9	797	30.24	0.50 S	MAR 3.20 D	29.50	1.7	0.0	9.2	1.7	-2.4	10.6	23.5	
A	FLEETWOOD BOWTER	(10/10/86)	NY-FLE 11	23307	13.14	0.52	JAN 1.65	24.25	-10.6	-4.4	14.7	2.1	84.6	12.6	565.2
B	FOREST CITY-A#	(07/11/86)	AS-FCE-A 7	4056	20.42	0.30	OCT 3.06	36.38	3.2	20.7	11.9	0.8	78.1	15.0	147.5
B	FOREST CITY-B#	(07/11/86)	AS-FCE-B 7	3893	20.42	0.30	OCT 3.06	36.50	3.9	17.3	11.9	0.8	78.7	15.0	142.1
* LP-FORM RET PFD UN	(01/23/87)	AS-FRL 7	5000	10.84	1.35	---	0.00	12.00	-5.9	-5.9	0.0	11.3	10.7	0.0	60.0
C	FPA CORP	AS-FPM 6	3995	11.87	0.00	DEC -0.78	10.75	6.2	7.5	0.0	0.0	-9.4	-6.6	42.9	
D	GEMCRAFT INC	(05/23/86)	OC-GEHM 6	5128	3.88	0.00	DEC 0.42	5.25	-22.2	-25.0	12.5	0.0	35.3	10.8	26.9
B	GENERAL DEVELOPT	(08/08/86)	NY-GDV 5	10500	14.44	0.00	MAR 2.60 D	19.63	-9.8	12.1	7.5	0.0	35.9	18.0	206.1
C	GENERAL HOMES	(04/10/87)	NY-GHO 5	15009	10.36	0.00	MAR 0.21 D	6.75	-1.8	-6.9	32.1	0.0	-34.8	2.0	101.3
A LP-GOULD INVSTRS LP	(01/09/87)	AS-GLO 7	1339	6.83	0.00	DEC 0.77	46.25	1.6	15.6	60.1	0.0	577.2	11.3	61.9	
B	GRUBBS & ELLIS	NY-GRE 10	15606	5.22	0.00	DEC -0.12	5.13	-4.7	0.0	0.0	0.0	-1.8	-2.3	80.0	
B	HALLWOOD GROUP	(02/13/87)	NY-HWG 9	4555	16.34	1.12	JAN 1.69	21.38	-10.0	-14.0	12.6	5.2	30.8	10.3	97.4
C	HAMMOND CO	(07/27/85)	OC-HTCO 8	2117	4.99	0.00	MAR 0.77 S	6.25	-13.8	25.0	8.1	0.0	25.3	15.4	13.2
D	HOMAC INC	OC-HOMC 6	2675	5.33	0.00	MAR -0.30 U	2.38	-9.5	-29.6	0.0	0.0	-55.4	-3.6	6.4	
C	HOVNANIAN ENTR	(05/23/86)	AS-HOV 6	21124	2.58	0.00	FEB 0.88 U	14.00	-17.6	51.4	15.9	0.0	442.6	34.1	295.7
D	INDIANA FNCL INV	OC-IFII 7	974	9.29	0.00	DEC 0.79	6.25	0.0	4.2	7.9	0.0	-32.7	8.5	6.1	
C	INTEGRATED RESC	(05/23/86)	NY-IRE 10	7603	18.36	0.00	DEC -1.73	23.38	-4.6	7.5	0.0	0.0	27.3	-9.4	177.7
C	INTERGROUP CORP	(11/08/85)	OC-INTG 7	1201	13.24	0.00	SEP 0.12	11.50	0.0	-4.2	95.8	0.0	-13.1	0.9	13.8
B LP-INTERSTATE GEN CO	(02/27/87)	AS-IGC 7	9800	2.04	0.28	SEP 1.05	10.50X	-3.9	16.7	10.0	2.7	414.7	51.5	104.0	
* INTL AMER HOMES	(11/22/85)	OC-HOME 6	7652	2.99	0.00	DEC 0.43	4.75	-17.4	18.8	11.0	0.0	53.7	13.9	36.3	
C	JOHNSTOWN AMER-A	(02/13/87)	AS-JAC 10	8435	5.94	0.00	FEB 0.19	4.00	-5.9	28.0	21.1	0.0	36.1	6.5	33.7
C	K&B HOME CORP	(08/22/86)	NY-KBH 5	27000	5.77	0.20	S FEB 1.18	10.63	-22.7	-2.3	9.0	1.9	84.1	20.5	286.9
B	KAUFMAN & BROAD	(06/14/85)	NY-KB 9	12340	14.99	0.33 S	FEB 2.44 U	20.25	-20.2	12.5	8.3	1.6	35.1	16.3	249.9
C	KNUTSON MTGE CORP	(10/24/86)	OC-KNMC 8	13825	3.04	0.40	DEC 1.80	9.50	-10.6	5.6	5.3	4.2	212.5	59.2	131.3
A	KOGER CO#	(05/09/86)	AS-KGR 7	11570	14.02\$	0.40	DEC 1.65	31.75	-3.8	7.2	19.2	7.6	126.5	11.8	367.3
A	KOGER PROPS#	(07/12/85)	NY-KQG 7	10620	9.16	2.60 S	DEC 1.88	28.50	-2.1	-10.6	15.2	9.1	211.1	20.5	302.7
* LP-LA QUINTA MTR INF	(11/21/86)	NY-LQP 7	3975	18.31	2.00 S	DEC 1.52	16.38	-0.8	-7.7	10.8	12.2	-10.6	8.3	65.1	
C	LANDMARK LAND	AS-LML 9	7976	9.78	0.40	DEC 1.26	22.88	1.7	28.0	18.2	1.7	133.9	12.9	182.5	
C	LANDMARK TECH	(05/22/87)	AS-LCO 7	12090	0.78	0.00	DEC 0.37	4.13	17.9	65.0	11.1	0.0	428.8	47.4	49.9
C	LEISURE+TECH	(08/08/86)	AS-LVX 6	3795	2.46	0.00	DEC 0.03	7.25	-4.9	38.1	241.7	0.0	194.7	1.2	27.5
B	LENNAR CORP	(03/27/87)	NY-LNN 5	8640	17.92	0.24 U	FEB 1.74	29.25	-6.0	58.1	16.8	0.8	63.2	9.7	252.7
C	LEVITT CORP	AS-LVT 6	3400	6.92	0.00	MAR 0.65 U	10.63	-13.3	6.3	16.3	0.0	53.5	9.4	36.1	
* LOAN AMER FNCL-B	(01/25/85)	OC-LAFCB 8	1987	6.58	0.00	MAR 0.95 U	11.25	-2.2	15.4	11.8	0.0	71.0	14.4	22.4	
A	LOHAS & NET FINC	(09/26/86)	NY-LNF 8	28574	11.92	1.40	MAR 1.45	29.00	-13.4	-0.9	20.0	4.8	143.3	12.2	828.6
C	M/I SCHOTNSTEN HMS	(10/24/86)	OC-MIHO 6	5965	1.50	0.00	MAR 0.71 U	8.13	-5.8	38.3	11.4	0.0	441.7	47.3	48.5
C	MAJOR REALTY	(05/24/85)	OC-MAJR 6	6024	1.13	0.00	DEC -0.67	10.00	5.3	5.3	0.0	0.0	785.0	-59.3	60.2
A	MDC HOLDINGS	(04/10/87)	NY-MDC 5	19827	9.78	0.40	MAR 1.66 D	12.50	-2.0	-5.7	7.5	3.2	27.8	17.0	247.8
B	MISSION WEST PR	AS-MSW 6	1542	11.75	0.32 U	FEB 2.65	11.50X	-3.5	3.4	4.3	2.8	-2.1	22.6	17.7	17.7
C	NATIONAL ENTERPR	(10/10/86)	NY-NEI 11	7133	2.69	0.00	MAR 0.23 U	4.00	-8.6	-5.9	17.4	0.0	48.7	8.6	28.5
C	NE MORTGAGE CO	(05/23/86)	AS-NM 8	5643	2.63	0.20 U	MAR 0.82 U	8.13X	-17.2	11.7	9.9	2.5	208.9	31.2	45.8
B LP-NEWHALL INV PROP	(05/09/86)	NY-NIP 7	4440	2.99\$	0.90	MAR 4.71 D	9.13	0.0	-1.4	1.9	9.9	205.2	157.5	40.5	
B LP-NEWHALL LAND	(04/10/87)	NY-NHL 9	20700	6.48\$	0.80	MAR 2.08	31.50	-9.4	0.0	15.1	2.5	386.1	32.1	652.1	
B LP-NVHOMES LP	(03/27/87)	AS-NVH 5	20200	9.68	0.24	MAR 0.77	9.13	-51.3	-5.2						

RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM MAY 05	FROM JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKZ	MKT VAL MIL \$	
B	PULTE HOME CORP (08/08/86)	NY-PHM	5	23738	8.02	0.12 S	MAR 0.85	11.50	-14.0	-5.2	13.5	1.0	43.4	10.6	273.0
D	PUNTA GORDA	AS-PCA	6	2905	-0.01	0.00	DEC 1.02	2.50	-16.7	25.0	2.5	0.0	0.0	0.0	7.3
C	RADICE CORP (11/08/85)	NY-RI	6	5845	5.17	0.00	DEC -1.74	6.50	0.0	-29.7	0.0	0.0	25.7	-33.7	38.0
C	READING CO (06/13/86)	OC-RDGC	7	3303	12.80	0.00	MAR 0.56 D	24.00	-4.0	2.1	42.9	0.0	87.5	4.4	79.3
C	REALAMERICA CO	OC-RACO	7	3497	3.22	0.00	NOV 0.04	2.50	0.0	62.5	0.0	0.0	-22.4	1.2	8.7
* LP-RED LIONS INNS (05/22/87)	AS-RSD	7	4940	18.17	0.00	---	0.00	16.50	-4.3	-17.5	0.0	0.0	-9.2	0.0	81.5
B	REDMAN INDUSTRIES (10/10/86)	NY-RE	11	9755	7.36	0.32	DEC 0.33	8.75	-5.4	0.0	26.5	3.7	18.9	4.5	85.4
* LP-RETIEMENT LIV MTG (07/25/86)	OC-RLIVZ	8	1264	22.77	2.16	DEC 2.09	22.25	1.1	-3.3	10.6	9.7	-2.3	9.2	28.1	
C	RIDGEWOOD PROPS (02/28/86)	OC-RWPI	7	996	34.77	0.00	FEB 6.91	28.00	-3.4	12.0	4.1	0.0	-19.5	19.9	27.9
C	ROCKWOOD NATL (08/23/85)	PS-RNC	6	9682	2.78	0.00	DEC 0.59	3.38	0.0	3.8	5.7	0.0	21.4	21.2	32.7
A	ROUSE CO# (05/09/86)	OC-ROUS	7	31161	7.02\$	0.70	SEP 0.77	34.75	0.7	10.8	45.1	2.0	395.0	11.0	1082.8
B	RYAN HOMES (05/10/85)	NY-RYN	5	7181	24.70	1.20	MAR 3.77 U	47.25	-0.3	3.6	12.5	2.5	91.3	15.3	339.3
A	RYLAND GROUP (03/27/87)	NY-RYL	5	12547	8.30	0.40	DEC 2.02	21.38	-9.0	7.5	10.6	1.9	157.5	24.3	268.2
B	SANTA FE SO PAC	NY-SFX	9	156950	32.11	1.00	S MAR -0.72 U	41.50X	-3.5	40.1	0.0	2.4	29.2	-2.2	6513.4
C	SAUL (BF) REIT# (05/09/86)	NY-BFS	7	5483	8.46\$	0.20	S DEC 0.17	16.00	-5.9	-3.0	94.1	1.3	89.1	2.0	87.7
C	SCHULT HOMES CORP (02/13/87)	AS-SHCO	11	3335	1.39	0.00	DEC 0.22	3.00	-14.3	-40.0	13.6	0.0	115.8	15.8	10.0
C	SECURITY CAPITAL (02/13/87)	AS-SCC	8	5676	10.32	0.00	MAR -4.25 D	4.00	-13.5	-13.5	0.0	0.0	-61.2	-41.2	22.7
* LP-SHOPCO LAUREL CTR (05/22/87)	AS-LSC	7	4660	9.30	0.00	---	0.00	8.88	-5.3	-11.3	0.0	0.0	-4.6	0.0	41.4
B	SKYLINE CORP (10/10/86)	NY-SKY	11	11217	11.62	0.48	FEB 1.04	14.63	-12.0	0.0	14.1	3.3	25.9	9.0	164.0
D	SO ATLANTIC FIN	OC-SOAF	7	6148	2.93	0.00	DEC 0.54	10.50	0.0	35.5	19.4	0.0	258.4	18.4	64.6
C	SOUTHLAND FINCL (06/13/86)	OC-SFIN	7	16770	10.51	0.00	DEC -0.97	9.50	-2.6	-29.6	0.0	0.0	-9.6	-9.2	159.3
C	SOUTHWEST RITY# (12/05/86)	NY-SM	9	46115	10.01	0.24	S MAR 1.18 U	9.13X	-8.1	9.0	7.7	2.6	-8.8	11.8	420.8
C	LP-SOUTHWEST RITY# (02/28/86)	AS-SWL	7	3442	7.71\$	0.00	DEC 0.29	3.00	0.0	-4.0	10.3	0.0	-61.1	3.8	10.3
C	STARRETT HOUSING	AS-SHO	6	5917	4.46	0.00	DEC 0.25	17.00	-4.2	14.3	68.0	0.0	281.2	5.6	100.6
B	LP-STD PACIFIC L.P. (08/08/86)	NY-SPF	5	26580	5.61	1.20	MAR 1.12 U	11.38X	-20.5	-16.5	10.2	10.5	102.8	20.0	302.3
C	SUNLITE INC	OC-SNLT	9	2796	5.45	0.00	DEC -0.33	4.13	0.0	50.0	0.0	0.0	-24.3	-6.1	11.5
*	SUNSTATES CORP	OC-SUST	9	411	31.82	0.00	MAR 0.04 U	14.25	26.7	20.0	356.3	0.0	-55.2	0.1	5.9
C	TIERCO GP INC	OC-TIER	7	2126	9.82	0.00	DEC -0.72	7.50	-14.3	15.4	0.0	0.0	-23.6	-7.3	15.9
C	TOLL BROS (07/25/86)	NY-TOL	5	29994	1.16	0.00	JAN 0.47	9.50	-18.3	66.4	20.2	0.0	719.0	40.5	284.9
B	LP-UDC-UNIVRSL DEV (08/08/86)	NY-UDC	6	10655	7.49	2.20	S MAR 2.94 U	23.13	-5.6	13.5	7.9	9.5	208.7	39.3	246.4
B	UNICORP AMER (05/09/86)	AS-UAC	7	10785	12.50\$	0.60	S MAR 0.68 D	12.13	-11.8	0.0	17.8	4.9	-3.0	5.4	130.8
C	UNION VALLEY CORP (09/26/86)	AS-UVC	6	3967	2.86	0.00	MAR 0.73 S	9.00	-7.7	41.2	12.3	0.0	214.7	25.5	35.7
C	US CAPITAL CORP	OC-USCC	6	8270	1.95	0.00	JUL -1.44	0.63	-28.6	-37.5	0.0	0.0	-67.9	-73.8	5.2
C	US HOME CORP (04/10/87)	NY-UH	5	39813	5.55	0.00	MAR -1.92 U	5.50	-10.2	-2.2	0.0	0.0	-0.9	-34.6	219.0
* LP-US REALTY PTNRS# (09/26/86)	OC-USRLZ	7	1222	21.35	2.26	SEP 2.04	19.00	1.3	-15.6	9.3	11.9	-11.0	9.6	23.2	
Z	US SHELTER CORP	OC-USSS	10	9446	2.34	0.00	DEC -0.82	2.25	-14.3	12.5	0.0	0.0	-3.8	-35.0	21.3
* LP-VMS MORTGAGE INV (01/24/86)	OC-VMLPZ	8	7629	8.80	1.08	DEC 1.11 U	9.63	-1.3	-1.3	8.7	11.2	9.4	12.6	73.4	
C	VYQUEST INC	AS-VY	11	3849	7.26	0.00	FEB -0.38	5.75	-2.1	4.5	0.0	0.0	-20.8	-5.2	22.1
C	WASHINGTON CORP	PH-TWCX	6	1987	4.43	0.00	DEC -0.41 D	4.13	0.0	-15.4	0.0	0.0	-6.9	-9.3	8.2
* WASHINGTON HOME (11/22/85)	AS-WHI	6	4728	5.39	0.00	APR 1.71 D	9.50	-14.6	18.8	5.6	0.0	0.0	76.3	31.7	44.9
C	WEBB (DEL E) CORP (06/14/85)	NY-WBB	9	7953	18.90	0.20	MAR 1.83 D	17.63	-7.2	-20.8	9.6	1.1	-6.7	9.7	140.2
L	WESPAC INVSTR (01/10/86)	OC-WEPS	12	5968	1.08	0.00	FEB -1.31 D	2.00	23.1	-23.8	0.0	0.0	85.2	-121.3	11.9
* LP-WINTHROP INS MTS	AS-WMI	8	3868	13.80	1.40	MAR 2.12 D	13.63	-4.4	-14.8	6.4	10.3	-1.3	15.4	52.7	
B	WRITER CORP (04/10/87)	OC-WRTC	6	4123	8.12	0.00	MAR -0.63 D	4.63	-5.1	-26.0	0.0	0.0	-43.0	-7.8	19.1
B	ZIMMER CORP	AS-ZIM	11	4662	1.99	0.00	DEC -1.70	3.13	0.0	-21.9	0.0	0.0	57.0	-85.4	14.6

COMPARATIVE REALTY STOCK GROUP AVERAGE 05/19/87

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	% CHANGE FROM MAY 05	JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL(000)
1 PROPERTY REITS	53	3	56	6602	11.09	1.16	1.09	15.30	-2.1	0.1	14.0	7.5	38.0	9.9	6225.1
2 PROP & MTG COMB REITS	23	2	25	5607	12.76	1.37	1.08	13.74	-1.6	-3.0	12.7	10.0	7.7	8.5	2016.9
3 MORTGAGE REITS	17	1	18	5676	14.46	1.71	1.44	14.56	-1.0	-9.6	10.1	11.8	0.7	9.9	1625.7
4 PARTICIPATING MTG REITS	13	0	13	8587	11.76	1.11	0.95	10.82	-3.5	-12.4	11.4	10.2	-8.1	8.1	1429.2
5 MAJOR HOMEBUILDERS	9	4	13	19915	10.79	0.33	1.30	17.02	-12.1	4.9	13.1	1.9	57.7	12.1	3445.9
6 OTHER BLDRS/DEVELOPERS	6	28	34	6280	5.13	0.13	0.31	8.13	-7.7	7.5	26.3	1.6	58.5	6.0	1877.2
7 INCOME PROP BLDG/OWNR	21	14	35	6913	11.15	0.74	0.88	16.27	-1.2	1.8	18.6	4.5	45.9	7.9	3927.0
8 MORTGAGE BANKER/FINANCE	13	4	17	13308	9.98	0.86	1.12	14.29	-6.0	-3.4	12.7	6.0	43.2	11.3	4795.5
9 DIVERSIFIED RITY&HOLDING	12	6	18	18382	15.08	0.35	1.28	17.78	-4.0	9.1	13.9	2.0	17.9	8.5	9590.2
10 RITY SVCS/SYNDICATORS	1	5	6	8248	6.53	0.03	-0.33	8.58	-2.6	10.2	0.0	0.3	31.5	-5.1	382.5
11 MANUFACTURED HOUSING	4	6	10	11800	6.07	0.14	0.33	8.77	-9.3	-5.7	27.0	1.6	44.7	5.4	1143.7
L LIQUIDATING COMPANIES	0	1	1	5968	1.08	0.00	-1.31	2.00	23.1	-23.8	NC	NC	85.2	NC	11.9
P PREFERRED STOCKS	1	0	1	1650	10.00	1.10	0.00	11.25	-1.1	-7.2	NC	NC	12.5	NC	18.6
OVERALL AVERAGE			247	8827	10.61	0.82	0.93	13.77	-3.8	0.1	14.8	6.0	29.8	7.7	36489.5
DOW JONES INDUSTRIALS							115.59	2221.28	-5.0	17.2	19.2	3.0			
STANDARD & POOR'S 500							14.83	279.62	-5.3	15.5	18.9	3.0			
DOW JONES UTILITIES							14.01	192.71	-6.6	-6.5	13.8	8.3			

REALTY STOCK RANKINGS

NOTES TO COMPARATIVE STATISTICS - PAGES 6-8

REALTY STOCK REVIEW has developed its exclusive Rankings of real estate stocks to indicate how each stock stands fundamentally in terms of its past, present and future. Rankings from "A" (highest) to "E" (lowest), shown in the first column in the statistical tables, are assigned based on:

(1) Earnings and dividend growth and stability over the past five years (the past - roughly 40%); Companies with over two but less than five years of operations score lower here, hence have lower overall Rank.

(2) Financial measures including leverage and liquidity and match of asset/liability maturities in the balance sheet (the present - about 40%); and

(3) Exposure to outside economic and competitive forces and management's ability to control its business destiny thru leverage and planning (our subjective estimate of the future - 20%).

Being rooted in historical factual analysis, Rankings are not based upon current price and thus are not intended as recommendations. A highly-Ranked stock may become overpriced or underpriced during trading, and vice versa. Rankings are given without regard to whether the entity subscribes to RSR. Other entries in the Ranking column denote:

--An asterisk (*) denotes stocks which cannot be ranked because of insufficient (generally less than two years) operating history in present form, or newly organized companies, or incomplete or non-comparable data.

--(Z) denotes entities which currently retain Audit or its investment banking affiliate, Campbell & Dillmeier, for specific assignments; and entities for which C&D is acting as non-retainer intermediary for a publicly announced proposed transaction.

--(L) denotes non-ranked liquidating entities.

All facts are on a per-share basis except computed ratios and market values. Each stock is classified in an industry group, numbered as in the Comparative Group Average Table on Page 8. Only historical data, or annualizations, are used; earnings are not estimates.

Annualized Dividend and Yield: The latest quarterly (or monthly) payout multiplied by 4 or 12. Since REITs must pay out 95% of EPS to be exempt from Federal income taxes, REIT dividends may vary.

Earnings and Price/Earnings Ratio: Computed from the latest (trailing) 12 months' earnings per share, except for cash flow companies. Cash flow entities, denoted with symbol "S" after their name, are those for whom net cash flow is the most meaningful measure of results. Net cash flow (defined as net income plus depreciation and partnership payments less mortgage amortization) on a per share basis (CFS) is used in place of earnings. Accumulated depreciation is added to historic book value for consistency.

Book value per share is tangible net worth after deducting intangibles (unamortized debt discount and expenses, etc.) for all companies except the following: INTANGIBLES PER SHARE (MAINLY GOODWILL) NOT DEDUCTED ARE: Amrep/\$1.18; Hallwood Group/\$1.15; Landmark Land/\$14.46; Johnstown Am./\$9.01; Security Cap./\$23.70; Vlyquest/\$2.08; Americanc Inv./\$3.02; Integrated Res./\$5.05; Reading/\$1.99; Equitec/\$6.15; Lomas Fincl./\$7.92; Grubb & Ellis/\$4.28; Burger King/\$5.79; Ryland/\$3.03. Book value does not reflect asset value appreciation, for which see Appraised Value table, p. 5.

SYMBOLS & ABBREVIATIONS

New EPS or dividend: U=UP, D=DOWN, S=UNCHANGED, I=INITIAL.

= Net Cash Flow; See above definition. @ Gross Cash Flow.

Last bid prices are shown for over-the-counter stocks.

P=Paired stock. \$=Appraised value reported; see p. 5.

F = Finite life REIT. LP = Limited partnership.